

STATE OF WASHINGTON



OFFICE OF
INSURANCE COMMISSIONER

IN THE MATTER OF)
)
CANON U.S.A., INC.) CONSENT ORDER
) LEVYING A FINE
)
A Registered Service Contract Provider) NO.
)

FINDINGS OF FACT

1. Canon U.S.A., Inc. ("Canon" hereafter) is a New York corporation.
2. At all times material hereto, Canon was not registered as a service contract provider in the State of Washington although Canon has pending with the Office of Insurance Commissioner ("OIC" hereafter) an application dated October 18, 2002, for such registration.
3. In the two years preceding March, 2003, with full knowledge that it had not obtained a registration as a service contract provider in Washington, Canon sold 442 service contracts known as CarePaks to consumers in Washington for a price of \$22,870.

CONCLUSIONS OF LAW

1. Canon's sale in Washington of 442 consumer service contracts without having a valid service contract provider registration constitutes 442 violations of RCW 48.110.030 (1).

CONSENT TO ORDER

Canon wishes to resolve this matter without further administrative or judicial proceedings and hereby admits to the foregoing Findings of Fact and Conclusions of Law. Canon hereby consents to the entry of this order and acknowledges its duty to comply fully with the applicable laws of the State of Washington.

By agreement of the parties, the OIC will impose a fine of \$20,000 upon the Company.

Pursuant to RCW 48.05.185 and RCW 48.110.130, failure to pay the fine timely shall constitute grounds for the revocation or denial of the company's service contractor registration and for the recovery of the fine in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

EXECUTED and AGREED this 30th day of April, 2004.

CANON U.S.A., INC.

Signed Name: _____

Printed Name: _____

Printed Title: _____

ORDER:

Pursuant to RCW 48.05.185, the Insurance Commissioner hereby imposes a fine of Twenty Thousand Dollars (\$20,000) upon Canon U.S.A, Inc. The fine must be paid in full within thirty days of the entry of this order in Tumwater, Washington. Failure to pay the fine timely shall constitute grounds for the revocation of the insurer's certificate of authority and for the recovery of the fine in a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

ENTERED AT TUMWATER, WASHINGTON on this 4th day of May, 2004.

Mike Kreidler
Insurance Commissioner

By: _____

Charles D. Brown
Staff Attorney, Legal Affairs